



Matthew W. Gissendanner
Assistant General Counsel

matthew.gissendanner@scana.com

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VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Request for Exception to Commission Regulation 103-327(A) for 17
South Apartments
Docket No. 2018-_____-E

Dear Ms. Boyd:

Commission Regulation 103-327(A) provides that “[a]ll service delivered to new multi-occupancy residential premises at which units of such premises are separately rented, leased or owned shall be delivered by an electrical utility on the basis of individual meter measurement for each dwelling.” Commission Regulation 103-327(B) provides the Commission may approve an exception to the requirement in 103-327(A) “upon its determination that individual metering to such premises is impractical or unreasonable.” For the reasons stated below, SCE&G respectfully requests that the Commission issue an Order approving an exception to Commission Regulation 103-327(A) for the 17 South Apartments located at 100, 105, 110, 120, 130, 140, 150, and 160 Ivy Green Way in Charleston, South Carolina (collectively, the “17 South Apartments”).

Background

EYC Companies is a privately held real estate development firm specializing in the creation and redevelopment of residential and mixed-use communities. EYC Companies has been developing and building the 17 South Apartments along Ivy Green Way in Charleston, which consists of eight separate buildings totaling 220 units and 249,000 square feet.

At a meeting with SCE&G in or around August 2015, EYC Companies indicated its desire to charge residents a flat rate for all utilities and asked for one

meter for the entire development. When SCE&G explained that that was not possible, EYC Companies requested as few meters as possible. EYC Companies communicated that the basis for the request was to improve energy efficiency by utilizing a central HVAC system and central hot water system for each building in lieu of individual unit HVAC and water heating systems. SCE&G personnel overlooked the prohibition on master metering in Commission Regulation 103-327(A) and agreed that each building would have a separate meter with the exception of Buildings 100 and 105 which would be metered together with a single meter.

Construction of Buildings 100, 110, 120, 150, and 160 are complete, and residents are currently living in those buildings. Construction of Building 105 is also complete; that building serves as the clubhouse/leasing office for 17 South Apartments. SCE&G began providing electric service to Buildings 100 and 105 through a single meter on June 16, 2017, and began providing electric service to Buildings 110, 120, 150, and 160 through separate meters on October 20, 2017; January 5, 2018; June 13, 2018; and April 10, 2018, respectively.

SCE&G installed the meter for Building 130 on September 28, 2018, and expects the meter for Building 140 to be installed in early December. EYC Companies is presently finishing final touchups on Buildings 130 and 140 before opening the building to residents.

Electric service, along with water service, valet-trash service, and internet service is included in the residents' flat rental rates.

Request for Exception

Commission Regulation 103-327(A) provides that "[a]ll service delivered to new multi-occupancy residential premises at which units of such premises are separately rented, leased or owned shall be delivered by an electrical utility on the basis of individual meter measurement for each dwelling." Commission Regulation 103-327(B) provides the Commission may approve an exception to the requirement in 103-327(A) "upon its determination that individual metering to such premises is impractical or unreasonable."

Because 17 South Apartments are "multi-occupancy residential premises at which units . . . are separately rented, leased or owned," Commission Regulation 103-327(A) would require individual metering of the electric service to each of the 220 individual units in the 17 South Apartments. However, given that construction is complete on Buildings 100, 105, 110, 120, 150, and 160, and that construction is substantially complete on Buildings 130 and 140, re-work to provide individual metering to each unit would be an immense undertaking that is "impractical" and "unreasonable." Accordingly, SCE&G respectfully requests that the Commission

issue an order approving an exception to Commission Regulation 103-327(A) and its individual metering requirement for the 17 South Apartments.

The request for relief set forth herein will not involve a change to any of SCE&G's retail rates or prices, or require any change in any Commission rule, regulation or policy. Accordingly, neither notice to the public at-large, nor a hearing is required regarding this request.

By copy of this letter, we are also notifying the South Carolina Office of Regulatory Staff of the Company's request for an exception to the individual metering requirement of Commission Regulation 103-327(A).

If you have any question, please advise.

Very truly yours,



Matthew W. Gissendanner

MWG/kms

cc: Dawn Hipp
Jeffrey M. Nelson, Esquire
(all via Electronic Mail and First Class U.S. Mail)